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January 10, 2005

Honorable James H. Welsh Commissioner of Conservation State of Louisiana Post Office Box 44275 Baton Rouge, Louisiana 70804-4275

Re: APPLICATION FOR PUBLIC HEARING.

Hosston Zone, Reservoir B, and Lower Hosston Zone, Reservoir A, RED RIVER-BULL BAYOU FIELD, Red River Parish, Louisiana.

Dear Sir:

WILL-DRILL PRODUCTION CO., INC. ("Applicant"), hereby respectfully applies for a public hearing to consider evidence relative to the issuance of Orders pertaining to the following matters relating to the Hosston Zone, Reservoir B, and to the Lower Hosston Zone, Reservoir A, in the Red River-Bull Bayou Field, Red River Parish, Louisiana:

- 1. To create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the Hosston Zone, Reservoir B, and one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the Lower Hosston Zone, Reservoir A, such units being shown on an attached plat and being designated HOSS RB SUF and L HOSS RA SUB.
- 2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed additional units in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.
- 3. To designate an Operator of, and unit well for, the proposed additional units as may be appropriate.
- 4. To authorize the downhole combination of production from the Hosston Zone, Reservoir B, and the Lower Hosston Zone, Reservoir A, in the wellbore of any well drilled on the additional units proposed herein.
- 5. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 109-N-2, effective December 19, 2001, as amended and supplemented by the Order No. 109-N series of Orders, to the proposed additional unit for the Hosston Zone, Reservoir B.
- 6. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 109-R, effective April 24, 2002, to the proposed additional unit for the Lower Hosston Zone, Reservoir A.
 - 7. To discuss such other matters as may be pertinent to these proposals.

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The Hosston Zone, Reservoir B, in the Red River-Bull Bayou Field, Red River Parish, Louisiana, was defined in Office of Conservation Order No. 109-N-2, effective December 19, 2001.

The Lower Hosston Zone, Reservoir A, in the Red River-Bull Bayou Field, Red River Parish, Louisiana, was defined in Office of Conservation Order No. 109-R, effective April 24, 2002.

Pertinent data concerning this application is available for inspection at the offices of Will-Drill Production Co., Inc., 416 Travis Street, Suite 1200, Shreveport, Louisiana 71101. Any person wishing to inspect such data should call Mr. Mike Fulford at (318) 222-7464 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data which is not otherwise available from the records of the Louisiana Office of Conservation can be obtained from Applicant at the expense of the requesting party.

By letter dated December 29, 2004, Applicant gave notice, in accordance with the Revised Rules of Procedure, of its intention to apply for a public hearing concerning these proposals and set January 20, 2005, as the tentative date for the pre-application conference. No pre-application conference request was received; accordingly, no pre-application conference was held.

Pursuant to the Revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. A copy of the unit plat (which is identical to the unit plat attached to the pre-application notice) is enclosed herewith, and a copy of this letter and of the attached plat is being sent to the District Manager of the Shreveport District of the Office of Conservation and to each of the Interested Owners, Represented Parties and Interested Parties as shown on the attached list.

Applicant will provide for posting of a copy of the Legal Notice of this hearing, and of the enclosed plat, at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Red River-Bull Bayou Field, all in accordance with the Revised Rules of Procedure. Furthermore, Applicant will mail a copy of the Legal Notice to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

Finally, enclosed herewith is our check payable to the Office of Conservation covering the application fee.

David L. Smelley

Attorney for Will-Drill Production Co., Inc.

DLS:dp Enclosures

cc: Mr. Jim Broussard (w/encls.)

Mr. Mike Fulford (w/encls.)

Mr. Currie Smith (w/encls.)
Interested Owners, Represented Parties

and Interested Parties (w/plat only)

